

7 June 2022

Credit Strategy

US Dollar Credit Supply

Supply in May was relatively low

Supply for May (US\$bn)

	Corporates	Financials
May	40.8	44.7

Source: ING, Dealogic

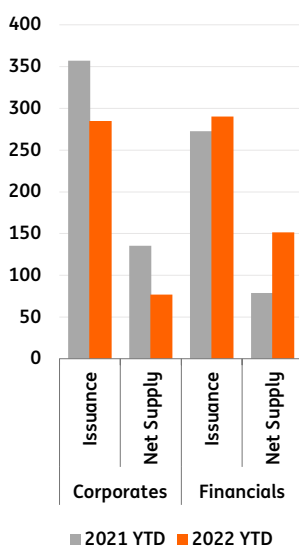
Supply FY and YTD (US\$bn)

Corporates	FY	YTD
2016	697	371
2017	745	350
2018	654	289
2019	705	307
2020	1166	701
2021	722	363
2022	287	287

Financials	FY	YTD
2016	387	204
2017	425	233
2018	435	232
2019	362	181
2020	523	305
2021	574	283
2022	294	294

Source: ING, Dealogic

Supply and Net Supply YTD



Source: Dealogic, ING



Corporate supply significantly lower than previous years, but in line with 2018

- Corporate supply amounted to US\$41bn in May, rather low when compared to the US\$75-80bn average of the past few years. Redemptions for the month of May were pencilled in at US\$54bn, thus net supply was negative at -US\$13bn. Supply on a YTD basis is now sitting at US\$287bn, running substantially behind most previous years (last year pencilled in US\$363bn YTD), although it is much in line with supply seen in 2018 YTD – US\$289bn.
- The Utility sector has been most active with supply of US\$12bn last month, followed by US\$7bn from both TMT and Healthcare. Autos saw US\$3bn in supply in May and remains the only sector with a notable increase YoY, currently sitting at US\$18bn YTD versus US\$10bn last year YTD.
- The belly of the curve and the very long end of the curve seem to be the preferred maturity for supply this year. The 6-9yr bucket is currently sitting at US\$84bn YTD, while the 17yr+ area has seen US\$93bn supplied.
- Reverse Yankee supply was rather low in May at just €3bn for corporates, meanwhile financials saw €7bn in Reverse Yankee supply. Corporate Reverse Yankee supply is sitting rather low on a YTD basis, at just €15bn, running behind the €26bn supplied by this time last year.

Bank senior supply running ahead of last year

- Financials supply totalled US\$45bn in May, lower than the two years previous which pencilled in US\$55bn in 2021 and US\$72bn in 2020, although it is more in line with the US\$48bn and US\$34bn seen in 2018 and 2019 respectively. Redemptions in May were relatively high at US\$29bn. Therefore, net supply was pencilled in at US\$16bn for the month of May.
- Bank senior supply totalled US\$27bn in May, in line with May last year. On a YTD basis, Bank senior supply has accumulated up to US\$178bn, higher than the US\$157bn supplied last year YTD. On the other hand, Bank capital has only supplied US\$25bn YTD, down on the US\$46bn supplied by this time last year.

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Fig 1 USD corporate supply overview (US\$bn)

	2018	2019	2020	2021	2021 May	2022 Apr	2022 May	2021 YTD	2022 YTD	% diff
Auto	43	36	41	30	0	3	3	10	18	68%
Consumer	153	97	193	76	4	6	4	34	25	-27%
Healthcare	86	108	128	96	17	2	7	38	41	8%
Industrial & Chemicals	99	83	207	80	10	7	5	41	39	-6%
Real Estate	22	59	55	55	7	6	0	23	16	-29%
TMT	91	127	265	218	34	16	7	141	71	-50%
Utility	93	105	133	113	8	2	12	51	44	-14%
Others	33	33	51	27	2	4	2	11	22	92%

Source: ING, Dealogic

Note: USD supply numbers include just IG corporates from America and Europe.

Fig 2 USD financial supply overview (US\$bn)

	2018	2019	2020	2021	2021 May	2022 Apr	2022 May	2021 YTD	2022 YTD	% diff
Bank Senior	262	191	263	283	28	36	27	157	178	13%
of which Bail-in	161	68	50	107	19	0	3	71	17	-76%
of which Pref	101	123	213	175	9	36	24	86	160	87%
Bank Capital	40	50	70	93	11	5	1	46	25	-45%
Finance	42	47	81	114	9	5	11	43	45	4%
Insurance	37	46	69	63	6	1	3	27	30	11%
Other	54	27	40	20	3	2	3	10	15	50%

Source: ING, Dealogic

Fig 3 USD corporate supply and net supply by month (US\$bn)

Issuance	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2018	25.5	58.4	89.1	41.3	73.9	83.2	10.6	59.9	85.0	58.0	59.2	10.2	654.4
2019	53.0	72.2	73.6	32.0	76.1	54.4	43.4	71.2	97.1	38.9	76.3	16.4	704.6
2020	50.5	52.3	191.1	214.2	170.5	112.7	39.6	110.5	94.5	56.9	60.7	12.9	1166.3
2021	32.0	76.1	133.4	32.7	82.9	58.3	33.4	59.5	75.1	31.4	61.5	45.7	722.1
2022	29.2	45.7	125.3	44.0	40.8								285.0
Net Supply	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2018	-4.9	28.0	43.2	4.8	15.9	39.7	-11.2	35.6	64.2	42.7	20.6	-11.1	267.6
2019	14.6	16.8	13.7	4.7	29.3	16.7	24.7	41.9	63.3	0.2	52.2	-3.4	274.8
2020	9.9	20.1	140.4	184.6	120.8	72.5	13.2	81.6	60.2	12.7	7.7	-8.9	714.8
2021	2.9	24.5	76.6	-5.7	37.3	7.6	15.1	28.0	24.0	0.6	10.9	19.3	241.2
Redemptions	31.3	41.0	56.5	25.9	53.4	50.7	28.6	48.0	40.5	32.0	46.4	28.7	482.9
2022	-2.1	4.7	68.8	18.1	-12.6								77.0

Redemptions shown for 2021 only

Source: ING, Dealogic

Fig 4 USD financial supply and net supply by month (US\$bn)

Issuance	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2018	84.2	26.3	26.5	46.4	47.8	25.4	41.7	33.9	56.0	18.4	26.4	2.1	435.1
2019	53.0	22.9	41.5	30.2	33.8	24.8	27.2	18.0	43.6	37.9	22.4	7.4	362.4
2020	62.2	29.0	69.5	59.8	72.0	49.0	18.0	34.4	33.4	33.4	33.9	28.5	523.0
2021	67.7	25.6	57.2	66.7	55.4	52.1	40.4	34.4	41.5	70.1	42.7	20.6	574.2
2022	85.5	33.4	76.9	49.9	44.7								290.3
Net Supply	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2018	39.4	1.7	-0.2	6.8	10.8	10.3	29.0	12.1	44.5	8.0	4.1	-11.0	155.6
2019	16.9	5.5	19.6	0.6	1.0	9.3	10.2	-7.1	19.1	19.3	11.6	-6.5	99.4
2020	5.3	14.0	43.2	45.0	55.5	18.8	-5.6	6.5	6.0	3.8	18.7	6.2	217.4
2021	19.2	-0.5	22.6	24.5	13.2	32.5	8.8	10.7	27.9	48.3	23.5	10.2	241.1
Redemptions	45.7	24.4	18.4	21.7	28.7	17.4	22.3	16.3	29.5	12.3	19.1	3.7	259.6
2022	39.8	9.1	58.4	28.2	16.0								151.4

Redemptions shown for 2021

Source: ING, Dealogic

Fig 5 Corporate supply and redemptions by month, 2022 (US\$bn)

Supply	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Autos	3.9	3.7	4.6	2.5	3.0								17.6
Consumer	5.4	4.1	5.6	5.9	3.8								24.6
Healthcare	0.3	11.5	21.0	1.7	6.9								41.5
Industrial	5.0	5.4	15.3	6.7	5.3								37.5
Real Estate	1.6	3.9	5.2	5.8	0.0								16.4
TMT	0.0	5.1	42.3	16.1	7.4								70.8
Utility	7.1	7.1	15.8	1.7	12.2								43.7
Others	1.6	1.5	13.5	3.7	1.8								22.0
Redemptions	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Autos	5.7	5.4	1.6	2.6	2.0	2.4	1.3	3.1	2.2	0.6	2.3	0.0	28.8
Consumer	7.8	4.0	7.5	3.4	8.5	12.0	11.0	11.2	6.4	2.2	6.1	3.6	83.6
Healthcare	1.0	4.3	10.6	1.2	10.1	8.5	1.3	4.4	4.5	2.9	11.0	2.5	62.1
Industrial	3.8	4.7	10.0	4.2	4.4	10.0	1.6	9.8	8.1	9.3	7.0	4.0	76.9
Real Estate	2.6	0.6	1.9	1.7	0.2	1.6	1.9	2.3	1.1	3.5	1.4	1.7	20.5
TMT	7.9	11.1	11.5	1.2	17.5	5.5	6.9	4.6	8.1	8.1	9.8	5.1	97.1
Utility	1.6	5.5	4.3	5.8	4.9	7.3	1.5	3.2	6.0	2.4	3.4	1.5	47.4
Others	0.2	2.2	1.8	1.4	2.1	2.0	1.5	1.1	1.9	0.1	1.5	2.2	17.9

Source: ING, Dealogic

Fig 6 Financial supply and redemptions by month, 2022 (US\$bn)

Supply	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Bank Senior	52.5	25.2	37.7	36.3	26.7								178.4
of which NPS	5.4	4.9	3.8	0.0	3.2								17.2
of which Pref	47.1	20.4	34.0	36.3	23.5								161.3
Bank Capital	11.6	0.9	5.6	5.1	0.9								23.9
Finance	11.4	3.2	13.6	5.5	11.0								44.7
Insurance	7.9	3.7	12.6	1.0	2.9								28.0
Redemptions	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Bank Senior	38.0	18.5	11.7	17.2	21.3	9.3	13.1	10.1	18.3	9.9	14.4	5.5	187.3
of which NPS	15.2	3.3	2.5	11.3	8.0	3.4	5.8	1.0	2.8	6.7	1.6	0.0	61.3
of which Pref	22.8	15.2	9.2	5.9	13.3	5.9	7.3	9.1	15.6	3.2	12.8	5.5	126.0
Bank Capital	22.2	2.4	5.5	4.7	2.0	6.2	4.3	2.0	4.2	0.8	3.0	1.1	58.4
Finance	4.8	5.3	4.0	2.0	5.8	4.0	4.9	4.3	7.3	1.2	3.3	5.2	52.2
Insurance	3.0	1.0	0.7	2.3	1.2	4.3	3.6	0.2	2.4	0.5	1.5	0.9	21.7

Source: ING, Dealogic

Fig 7 USD supply, redemptions and net supply by year (US\$bn)

Corporates	YTD	FY	Reds	Net	Financials	YTD	FY	Reds	Net
2011	214.3	435.6	291.9	143.7	2011	177.3	254.1	260.8	-6.7
2012	238.1	604.1	410.0	194.1	2012	122.5	266.0	250.0	15.9
2013	257.4	558.0	199.3	358.7	2013	151.3	328.6	256.3	72.3
2014	231.3	549.8	240.2	309.6	2014	212.8	413.3	255.8	157.5
2015	340.5	710.6	244.4	466.2	2015	221.8	423.6	258.4	165.2
2016	370.7	696.6	231.8	464.8	2016	203.6	386.8	295.5	91.3
2017	350.3	744.9	262.1	482.8	2017	233.4	424.7	356.3	68.4
2018	288.7	654.4	279.5	374.9	2018	231.5	435.1	386.8	48.3
2019	306.9	704.6	263.0	441.5	2019	181.3	362.4	429.8	-67.3
2020	701.5	1166.3	305.7	860.6	2020	304.8	523.0	451.5	71.6
2021	363.1	722.1	333.1	389.0	2021	283.1	574.2	481.0	93.2
2022	287.0	287.0	267.6		2022	294.0	294.0	482.9	
2023			333.0		2023			528.1	
2024			328.5		2024			456.2	

Source: ING, Dealogic

Fig 8 Subordinated supply, 2021 and 2022 (US\$bn)

2021	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
AT1	8.6	6.2	4.3	3.0	7.6	0.9	6.1	4.0	4.4	7.5	1.6	0.0	54.1
T2	4.7	1.0	1.2	0.8	1.9	0.9	1.8	0.8	3.0	3.1	1.1	1.3	21.3
Bank Capital	13.2	7.2	5.4	3.8	9.5	1.8	7.9	4.8	7.4	10.6	2.7	1.3	75.5
2022	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
AT1	3.5	0.0	0.0	3.0	0.0								6.5
T2	2.9	0.2	2.2	2.0	0.0								7.2
Bank Capital	6.3	0.2	2.2	5.0	0.0								13.6

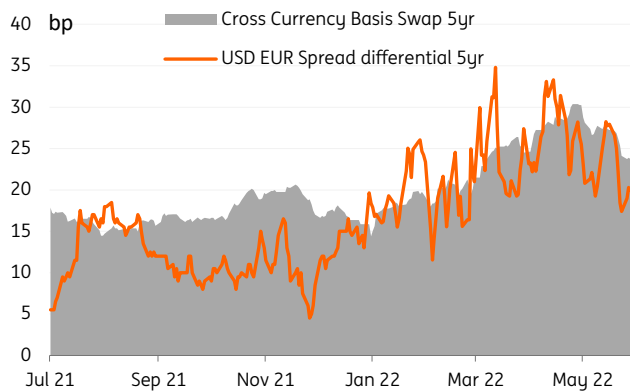
Source: ING, Dealogic

Fig 9 Reverse Yankee supply, 2021 and 2022 (€bn)

2021	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Corporate	2.1	5.2	11.7	2.8	4.5	0.1	0.5	3.7	13.9	9.7	5.4	0.0	59.4
Financial	3.4	3.6	3.8	5.3	4.6	0.9	0.6	0.4	6.0	6.8	3.8	0.0	39.1
Total	5.5	8.8	15.5	8.1	9.1	1.0	1.1	4.1	19.9	16.5	9.2	0.0	98.5
2022	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Corporate	2.3	2.6	6.4	0.5	2.9								14.6
Financial	0.8	3.0	3.8	4.4	7.0								19.0
Total	3.1	5.6	10.1	4.9	9.9								33.6

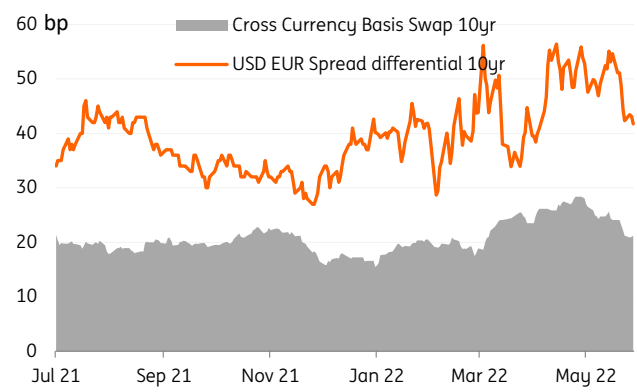
Source: ING, Dealogic

Fig 10 XCCY 5yr



Source: ING, Dealogic

Fig 11 XCCY 10yr



Source: ING, Dealogic

Fig 12 US, Yankee and Reverse Yankee supply (US\$bn)

Corporates	Domestic	Yankee	Rev Yankee (€)	Financials	Domestic	Yankee	Rev Yankee (€)
2011	355.7	92.0	6.4	2011	164.5	90.1	5.7
2012	483.2	140.2	16.7	2012	206.7	59.3	7.6
2013	464.5	112.7	32.5	2013	252.7	77.5	14.4
2014	467.8	112.2	42.9	2014	290.6	126.1	32.3
2015	610.7	108.8	62.1	2015	304.1	128.0	28.7
2016	587.7	114.5	65.9	2016	273.1	115.0	46.1
2017	656.7	102.4	65.2	2017	312.2	113.9	35.8
2018	526.7	130.0	31.6	2018	303.2	133.0	20.4
2019	614.0	95.9	99.3	2019	267.9	96.2	28.3
2020	1062.9	116.0	68.3	2020	400.1	124.9	24.3
2021	630.2	94.5	59.5	2021	410.5	168.1	39.1
2022 YTD	250.2	37.4	14.6	2022 YTD	228.1	67.4	19.0

Source: ING

Fig 13 ESG supply per month 2022 (US\$bn)

Corporate	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Green	1.2	3.1	3.0	0.5	2.1								9.9
Social	0.0	0.0	0.0	0.0	0.0								0.0
Sustainable	1.2	0.8	2.1	0.0	0.8								4.8
ESG	2.4	3.8	5.1	0.5	2.9								14.7
Financial	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Green	0.7	0.0	0.0	0.0	1.3								1.9
Social	2.5	0.0	0.0	0.0	0.0								2.5
Sustainable	0.0	0.0	0.0	1.0	0.0								1.0
ESG	3.2	0.0	0.0	1.0	1.3								5.4

Source: ING, Dealogic

Fig 14 ESG supply per year and YTD (US\$bn)

Corporate	2018	2019	2020	2021	2022	2018 YTD	2019 YTD	2020 YTD	2021 YTD	2022 YTD
Green	6.3	14.3	18.4	30.1	9.9	1.7	6.3	5.2	11.0	9.9
Social	0.0	0.0	1.5	0.6	0.0	0.0	0.0	0.0	0.0	0.0
Sustainable	0.0	1.0	7.5	9.6	4.8	0.0	1.0	1.8	2.1	4.8
ESG	6.3	15.3	27.4	40.2	14.7	1.7	7.3	6.9	13.0	14.7
Financial	2018	2019	2020	2021	2022	2018 YTD	2019 YTD	2020 YTD	2021 YTD	2022 YTD
Green	4.2	5.0	7.1	9.2	1.9	3.0	1.5	2.6	1.8	1.9
Social	0.1	0.5	6.6	5.3	2.5	0.0	0.5	1.8	2.6	2.5
Sustainable	0.1	0.1	2.6	6.7	1.0	0.0	0.0	0.2	4.1	1.0
ESG	4.3	5.6	16.2	21.2	5.4	3.0	2.0	4.6	8.5	5.4

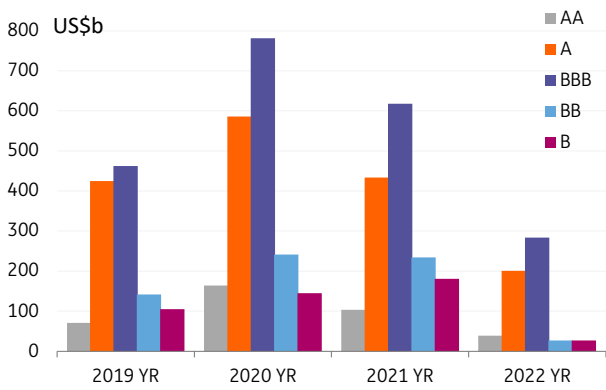
Source: ING, Dealogic

Fig 15 Investment grade issuance by maturity, 2021 and 2022 (US\$bn)

2021	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2021
Corp 0-3yr	2.3	12.3	30.1	3.8	14.5	6.3	4.5	6.7	10.9	8.0	7.6	5.2	111.9
Corp 3-6yr	4.7	16.5	18.3	5.1	12.8	4.1	5.4	5.2	7.5	2.2	5.5	5.3	92.7
Corp 6-9yr	2.7	5.8	11.8	3.7	6.5	6.6	5.2	4.5	8.7	2.9	4.5	7.8	70.7
Corp 9-12yr	10.7	16.3	35.4	11.0	22.9	15.9	7.6	21.4	21.2	8.7	19.7	11.7	202.3
Corp 12-17yr	2.1	1.0	1.3	1.6	0.4	2.1	0.8	0.4	2.3	1.4	1.5	0.1	14.9
Corp 17yrs+	9.5	24.4	36.6	7.6	25.9	23.4	10.0	21.0	24.4	7.5	22.7	15.1	228.0
Fin 0-3yr	15.0	3.7	11.9	8.0	11.0	8.3	0.6	8.5	6.4	12.0	7.3	5.9	98.5
Fin 3-6yr	10.9	5.2	9.6	8.9	17.1	9.3	5.2	6.4	8.9	10.6	6.7	6.3	105.2
Fin 6-9yr	13.3	2.4	12.0	12.7	4.1	17.6	5.8	7.2	10.1	12.0	7.7	2.5	107.3
Fin 9-12yr	12.3	4.5	8.9	20.3	12.3	5.6	15.1	3.0	1.8	19.0	11.7	1.8	116.4
Fin 12-17yr	0.0	0.2	0.2	0.0	0.0	1.4	0.2	0.7	5.4	3.0	1.1	1.6	14.0
Fin 17yrs+	16.1	9.5	14.6	16.8	10.9	9.8	13.4	8.1	8.9	12.6	8.1	2.2	131.1
2022	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Corp 0-3yr	6.0	4.5	18.1	7.4	7.0								43.0
Corp 3-6yr	5.5	4.2	18.0	6.0	6.5								40.1
Corp 6-9yr	0.2	1.2	10.3	6.8	1.9								20.4
Corp 9-12yr	10.7	15.4	34.8	12.0	11.2								84.2
Corp 12-17yr	1.3	1.4	0.9	0.5	0.1								4.1
Corp 17yrs+	5.6	19.0	43.2	11.3	14.1								93.2
Fin 0-3yr	17.9	2.9	12.5	13.3	14.8								61.5
Fin 3-6yr	13.9	7.0	21.1	9.1	6.6								57.6
Fin 6-9yr	14.8	10.1	16.4	9.9	8.6								59.8
Fin 9-12yr	25.4	10.5	15.3	7.6	9.4								68.2
Fin 12-17yr	1.0	0.1	2.5	2.0	0.4								6.1
Fin 17yrs+	12.4	2.8	9.0	8.0	4.8								37.1

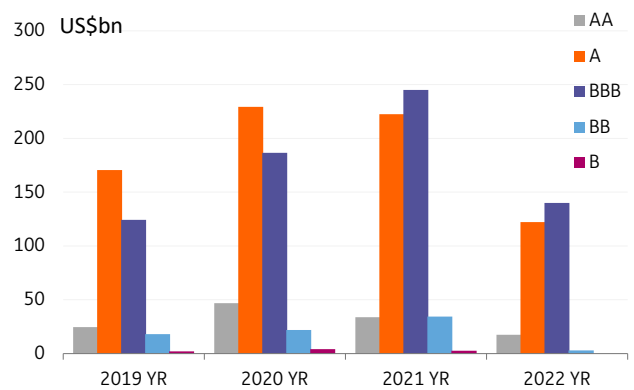
Source: ING, Dealogic

Fig 16 Corporate supply per S&P rating (US\$bn)



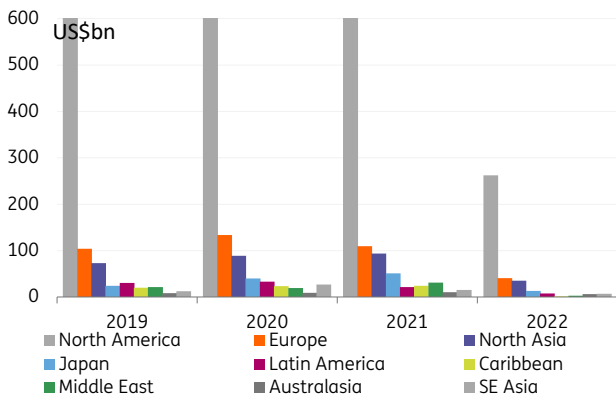
Source: ING, Dealogic

Fig 17 Financial supply per S&P rating (US\$bn)



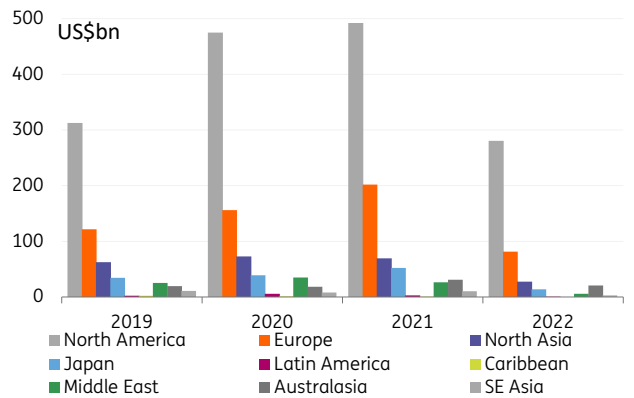
Source: ING, Dealogic

Fig 18 Corporate supply per country (US\$bn)



Source: ING, Dealogic

Fig 19 Financial supply per country (US\$bn)



Source: ING, Dealogic

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